

Invitation to Bid

<p>LSUHSC-SHREVEPORT</p> <p>VENDOR NO. : SOLICITATION : 005384 OPENING DATE : 01/29/2010</p>		<p>BIDS WILL BE PUBLICLY OPENED: January 29, 2010 02:00 PM</p> <p>Return Bid in Envelope/Labels Provided to: Purchasing Department PO Box 33932 Shreveport LA 71130</p> <p>BUYER : Britton, Kaye BUYER PHONE : 318/675-5293 DATE ISSUED : 05/19/2009 REQ. NO : FISCAL YEAR : 0</p>
<p>Re-bid Phys. Billing Services</p>		
<p>INSTRUCTIONS TO BIDDERS</p>		
<ol style="list-style-type: none"> 1. READ THE ENTIRE BID, INCLUDING ALL TERMS AND CONDITIONS AND SPECIFICATIONS. 2. FILL IN ALL BLANK SPACES. 3. ALL BID PRICES MUST BE TYPED OR WRITTEN IN INK: ANY CORRECTIONS, ERASURES OR OTHER FORMS OF ALTERATION TO UNIT PRICES SHOULD BE INITIALIZED BY THE BIDDER. 4. BID PRICES SHALL INCLUDE DELIVERY OF ALL ITEMS F.O.B. DESTINATION OR AS OTHERWISE PROVIDED. BIDS CONTAINING "PAYMENT IN ADVANCE" OR "C.O.D." REQUIREMENTS MAY BE REJECTED. PAYMENT IS TO BE MADE WITHIN 30 DAYS AFTER RECEIPT OF PROPERLY EXECUTED INVOICE OR DELIVERY, WHICHEVER IS LATER. 5. SPECIFY YOUR PAYMENT TERMS: _____ . CASH DISCOUNTS FOR LESS THAN 30 DAYS OR LESS THAN 1% WILL BE ACCEPTED, BUT WILL NOT BE CONSIDERED IN DETERMINING AWARDS 		
<p>BY SIGNING THIS BID, THE BIDDER CERTIFIES:</p> <ul style="list-style-type: none"> * THAT NEITHER THIS BUSINESS ENTITY NOR ANY OF ITS EMPLOYEES OR SUBCONTRACTORS IS CURRENTLY LISTED AS EXCLUDED OR SANCTIONED BY EITHER THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, OFFICE OF INSPECTOR GENERAL (OIG) OR THE GENERAL SERVICES ADMINISTRATION (GSA). * THAT IF THIS BUSINESS ENTITY OR ANY OF ITS EMPLOYEES OR SUBCONTRACTORS APPEAR ON EITHER LISTING, MY BID WILL BE REJECTED. * THAT IF AT ANY TIME DURING THE TERM OF THE CONTRACT AWARDED AS A RESULT OF THIS INVITATION TO BID, THIS ENTITY OR ANY OF ITS EMPLOYEES OR SUBCONTRACTORS APPEARS ON EITHER LISTING, MY COMPANY WILL NOTIFY THE CONTRACTING AGENCY, AND THE CONTRACT WILL BE TERMINATED. THE CONTRACTING AGENCY WILL NOT BE LIABLE FOR ANY DAMAGES RESULTING FROM SAID TERMINATION. 		
<p>THE BIDDER FURTHER CERTIFIES:</p> <ul style="list-style-type: none"> * COMPLIANCE WITH ALL INSTRUCTIONS TO BIDDERS, TERMS, CONDITIONS, AND SPECIFICATIONS. * THIS BID IS MADE WITHOUT COLLUSION OR FRAUD. * THAT ALL TAXES DULY ASSESSED BY THE STATE OF LOUISIANA AND IT'S SUBDIVISIONS, INCLUDING FRANCHISE TAXES, PRIVILEGE TAXES, SALES TAXES AND ALL OTHER TAXES FOR WHICH THE FIRM IS LIABLE HAVE BEEN PAID. * THAT IF MY BID IS ACCEPTED WITHIN _____ DAYS FROM BID CLOSING TIME, MY FIRM WILL FURNISH ANY OR ALL OF THE ITEMS (OR SECTIONS) AT THE PRICE OPPOSITE EACH ITEM (OR SECTION). * DELIVERY WILL BE MADE WITHIN _____ DAYS AFTER RECEIPT OF ORDER. 		
<p>VENDOR PHONE NUMBER: FAX NUMBER:</p>	<p>TITLE</p>	<p>DATE</p>
<p>SIGNATURE OF AUTHORIZED BIDDER (MUST BE SIGNED)</p>		<p>NAME OF BIDDER (TYPED OR PRINTED)</p>

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STANDARD TERMS & CONDITIONS

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BIDDER:

6. DESIRED DELIVERY: 10 DAYS ARO, UNLESS SPECIFIED ELSEWHERE
7. TO ASSURE CONSIDERATION, ALL BIDS SHOULD BE SUBMITTED IN THE SPECIAL ENVELOPE, OR USE BID LABEL IF FURNISHED FOR THAT PURPOSE. IN THE EVENT YOUR BID CONTAINS BULKY SUBJECT MATERIAL, THE SPECIAL BID ENVELOPE SHOULD BE FIRMLY AFFIXED TO THE MAILING ENVELOPE.
8. BIDS SUBMITTED ARE SUBJECT TO PROVISIONS OF THE LAWS OF THE STATE OF LOUISIANA INCLUDING BUT NOT LIMITED TO L.R.S. 39:1551-1736; PURCHASING RULES AND REGULATIONS; EXECUTIVE ORDERS; STANDARD TERMS AND CONDITIONS; SPECIAL CONDITIONS; AND SPECIFICATIONS LISTED IN THIS SOLICITATION.
9. IMPORTANT: THIS BID IS TO BE MANUALLY SIGNED IN INK BY A PERSON AUTHORIZED TO BIND THE VENDOR (SEE NO.31).
10. INQUIRIES: ADDRESS ALL INQUIRIES AND CORRESPONDENCE TO THE BUYER AT THE PHONE NUMBER AND ADDRESS SHOWN ABOVE.
11. BID FORMS: ALL WRITTEN BIDS, UNLESS OTHERWISE PROVIDED FOR, SHOULD BE SUBMITTED ON, AND IN ACCORDANCE WITH FORMS PROVIDED, PROPERLY SIGNED (SEE #31). BIDS MUST BE RECEIVED AT THE ADDRESS SPECIFIED IN THE SOLICITATION PRIOR TO BID OPENING TIME IN ORDER TO BE CONSIDERED.
12. STANDARDS OR QUALITY. ANY PRODUCT OR SERVICE BID SHALL CONFORM TO ALL APPLICABLE FEDERAL AND STATE LAWS AND REGULATIONS AND THE SPECIFICATIONS CONTAINED IN THE SOLICITATION. UNLESS OTHERWISE SPECIFIED IN THE SOLICITATION, ANY MANUFACTURER'S NAME, TRADE NAME, BRAND NAME, OR CATALOG NUMBER USED IN THE SPECIFICATION IS FOR THE PURPOSE OF DESCRIBING THE STANDARD OF QUALITY, PERFORMANCE, AND CHARACTERISTICS DESIRED AND IS NOT INTENDED TO LIMIT OR RESTRICT COMPETITION. BIDDER MUST SPECIFY THE BRAND AND MODEL NUMBER OF THE PRODUCT OFFERED IN HIS/HER BID. BIDS NOT SPECIFYING BRAND AND MODEL NUMBER SHALL BE CONSIDERED AS OFFERING THE EXACT PRODUCTS SPECIFIED IN THE SOLICITATION.
13. DESCRIPTIVE INFORMATION. BIDDERS PROPOSING AN EQUIVALENT BRAND OR MODEL SHOULD SUBMIT WITH THE BID, INFORMATION (SUCH AS ILLUSTRATIONS, DESCRIPTIVE LITERATURE, TECHNICAL DATA) SUFFICIENT FOR LSUHSC TO EVALUATE QUALITY, SUITABILITY, AND COMPLIANCE WITH THE SPECIFICATIONS IN THE SOLICITATION. FAILURE TO SUBMIT DESCRIPTIVE INFORMATION MAY CAUSE BID TO BE REJECTED. ANY CHANGE MADE TO A MANUFACTURER'S PUBLISHED SPECIFICATION SUBMITTED FOR A PRODUCT SHALL BE VERIFIABLE BY THE MANUFACTURER. IF ITEM(S) BID DO NOT FULLY COMPLY WITH SPECIFICATIONS (INCLUDING BRAND AND/OR PRODUCT NUMBER), BIDDER MUST STATE IN WHAT RESPECT ITEMS(S) DEVIATE. FAILURE TO NOTE EXCEPTIONS ON THE BID FORM WILL NOT RELIEVE THE SUCCESSFUL BIDDER(S) FROM SUPPLYING THE ACTUAL PRODUCTS REQUESTED.
14. BID OPENING. BIDDERS MAY ATTEND THE BID OPENING, BUT NO INFORMATION OR OPINIONS CONCERNING THE ULTIMATE CONTRACT AWARD WILL BE GIVEN AT THE BID OPENING OR DURING THE EVALUATION PROCESS. BIDS MAY BE EXAMINED WITHIN 72 HOURS AFTER BID OPENING. INFORMATION PERTAINING TO COMPLETED FILES MAY BE SECURED BY VISITING LSUHSC DURING NORMAL WORKING HOURS. WRITTEN BID TABULATIONS WILL NOT BE FURNISHED.
15. AWARDS. AWARD WILL BE MADE TO THE LOWEST RESPONSIBLE AND RESPONSIVE BIDDER. LSUHSC RESERVES THE RIGHT TO AWARD ITEMS SEPARATELY, GROUP, OR IN TOTAL, AND TO REJECT ANY OR ALL BIDS AND WAIVE ANY INFORMALITIES.
16. PRICES. UNLESS OTHERWISE SPECIFIED BY LSUHSC IN THE SOLICITATION, BID PRICES MUST BE COMPLETE, INCLUDING TRANSPORTATION PREPAID BY BIDDER TO DESTINATION AND FIRM FOR ACCEPTANCE FOR A MINIMUM OF 30 DAYS. IF ACCEPTED, PRICES MUST BE FIRM FOR THE CONTRACTUAL PERIOD. BIDS OTHER THAN F.O.B. DESTINATION MAY BE REJECTED. PRICES SHOULD BE QUOTED IN THE UNIT (EACH,

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<p>BOX, CASE, ETC.) AS SPECIFIED IN THE SOLICITATION.</p> <p>17. DELIVERIES. BIDS MAY BE REJECTED IF THE DELIVERY TIME INDICATED IS LONGER THAN THAT SPECIFIED IN THE SOLICITATION.</p> <p>18. TAXES. VENDOR IS RESPONSIBLE FOR INCLUDING ALL APPLICABLE TAXES IN THE BID PRICE. LSUHSC AGENCIES ARE EXEMPT FROM ALL STATE AND LOCAL SALES AND USE TAXES.</p> <p>19. NEW PRODUCTS. UNLESS SPECIFICALLY CALLED FOR IN THE SOLICITATION, ALL PRODUCTS FOR PURCHASE MUST BE NEW, NEVER PREVIOUSLY USED, AND THE CURRENT MODEL AND/OR PACKAGING. NO REMANUFACTURED, DEMONSTRATOR, USED OR IRREGULAR PRODUCT WILL BE CONSIDERED FOR PURCHASE UNLESS OTHERWISE SPECIFIED IN THE SOLICITATION. THE MANUFACTURER'S STANDARD WARRANTY WILL APPLY UNLESS OTHERWISE SPECIFIED IN THE SOLICITATION.</p> <p>20. CONTRACT CANCELLATION. THE STATE OF LOUISIANA HAS THE RIGHT TO CANCEL ANY CONTRACT, IN ACCORDANCE WITH PURCHASING RULES AND REGULATIONS, FOR CAUSE INCLUDING BUT NOT LIMITED TO THE FOLLOWING: (1) FAILURE TO DELIVER WITHIN THE TIME SPECIFIED IN THE CONTRACT; (2) FAILURE OF THE PRODUCT OR SERVICE TO MEET SPECIFICATIONS, CONFORM TO SAMPLE QUALITY OR TO BE DELIVERED IN GOOD CONDITION; (3) MISREPRESENTATION BY THE CONTRACTOR; (4) FRAUD, COLLUSION CONSPIRACY OR OTHER UNLAWFUL MEANS OF OBTAINING ANY CONTRACT WITH THE STATE; (5) CONFLICT OF CONTRACT PROVISIONS WITH CONSTITUTIONAL OR STATUTORY PROVISIONS OF STATE OR FEDERAL LAW; (6) ANY OTHER BREACH OF CONTRACT.</p> <p>21. DEFAULT OF CONTRACT. FAILURE TO DELIVER WITHIN THE TIME SPECIFIED IN THE BID WILL CONSTITUTE A DEFAULT AND MAY CAUSE CANCELLATION OF THE CONTRACT. WHERE THE UNIVERSITY HAS DETERMINED THE CONTRACTOR TO BE IN DEFAULT, THE UNIVERSITY RESERVES THE RIGHT TO PURCHASE AN OR ALL PRODUCTS OR SERVICES COVERED BY THE CONTRACT ON THE OPEN MARKET AND TO CHARGE THE CONTRACTOR WITH COST IN EXCESS OF THE CONTRACT PRICE. UNTIL SUCH ASSESSED CHARGES HAVE BEEN PAID, NO SUBSEQUENT BID FROM THE DEFAULTING CONTRACTOR WILL BE CONSIDERED.</p> <p>22. ORDER OF PRIORITY. IN THE EVENT THERE IS A CONFLICT BETWEEN THE INSTRUCTIONS TO BIDDERS OR STANDARD CONDITIONS AND THE SPECIAL CONDITIONS, THE SPECIAL CONDITIONS SHALL GOVERN.</p> <p>23. APPLICABLE LAW. ALL CONTRACTS SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF LOUISIANA.</p> <p>24. EQUAL OPPORTUNITY. BY SUBMITTING AND SIGNING THIS BID, BIDDER AGREES THAT HE/SHE WILL NOT DISCRIMINATE IN THE RENDERING OF SERVICES TO AND/OR EMPLOYMENT OF INDIVIDUALS BECAUSE OF RACE, COLOR, RELIGION, SEX, AGE, NATIONAL ORIGIN, HANDICAP, DISABILITY, VETERAN STATUS, OR A OTHER NON-MERIT FACTOR.</p> <p>25. SPECIAL ACCOMMODATIONS. ANY "QUALIFIED INDIVIDUAL WITH DISABILITY" AS DEFINED BY THE AMERICANS WITH DISABILITIES ACT WHO HAS SUBMITTED A BID AND DESIRES TO ATTEND THE BID OPENING, MUST NOTIFY THIS OFFICE IN WRITING NOT LATER THAN SEVEN DAYS PRIOR TO THE BID OPENING DATE OF THEIR NEED FOR SPECIAL ACCOMMODATIONS. IF THE REQUEST CANNOT BE REASONABLY PROVIDED, THE INDIVIDUAL WILL BE INFORMED PRIOR TO THE BID OPENING.</p> <p>26. IDEMNITY. CONTRACTOR AGREES, UPON RECEIPT OF WRITTEN NOTICE OF A CLAIM OR ACTION, TO DEFEND THE CLAIM OR ACTION, OR TAKE OTHER APPROPRIATE MEASURE, TO IDEMNIFY, AND HOLD HARMLESS, LSUHSC, ITS OFFICERS, ITS AGENTS AND ITS EMPLOYEES FROM AND AGAINST ALL CLAIMS AND ACTIONS FOR BODILY INJURY, DEATH OR PROPERTY DAMAGES CAUSED BY THE FAULT OF THE CONTRACTOR,</p>	

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<p>OFFICERS, ITS AGENTS, OR ITS EMPLOYEES. CONTRACTOR IS OBLIGATED TO INDEMNIFY ONLY TO THE EXTENT OF THE FAULT OF THE CONTRACTOR, ITS OFFICERS, ITS AGENTS, OR ITS EMPLOYEES. HOWEVER, THE CONTRACTOR SHALL HAVE NO OBLIGATION AS SET FORTH ABOVE WITH RESPECT TO ANY CLAIM OR ACTION FROM BODILY INJURY, DEATH OR PROPERTY DAMAGES ARISING OUT OF THE FAULT OF THE UNIVERSITY, ITS OFFICERS, ITS AGENTS OR ITS EMPLOYEES.</p> <p>27. INTERPRETATION OF DOCUMENT: ANY INTERPRETATION OF THE BID OR QUOTATION DOCUMENT WILL ONLY BE MADE BY AN ADDENDUM ISSUED IN WRITING BY THE PURCHASING DEPARTMENT. SUCH ADDENDUM WILL BE MAILED OR DELIVERED TO EACH PERSON RECEIVING A SET OF THE ORIGINAL BID OR QUOTATION DOCUMENTS. LSUHSC WILL NOT BE RESPONSIBLE FOR ANY OTHER EXPLANATION OR INTERPRETATION OF THE DOCUMENTS.</p> <p>28. ACCEPTANCE OF BID: ONLY THE ISSUANCE OF A PURCHASE ORDER OR A SIGNED CONTRACT CONSTITUTES ACCEPTANCE ON THE PART OF LSUHSC.</p> <p>29. ADHERENCE TO JCAHO STANDARDS: WHERE APPLICABLE, LSUHSC IS ACCREDITED BY THE JOINT COMMISSION ON ACCREDITATION OF HEALTHCARE ORGANIZATIONS AND AS SUCH ALL CONTRACTORS, SUBCONTRACTORS, AND VENDORS AGREE TO ADHERE TO THE APPLICABLE STANDARDS PROMULGATED BY THE COMMISSION.</p> <p>30. PREFERENCE: IN ACCORDANCE WITH LOUISIANA REVISED STATUTES 39:1595, A PREFERENCE MAY BE ALLOWED FOR PRODUCTS MANUFACTURED, PRODUCED, GROWN, OR ASSEMBLED IN LOUISIANA OF EQUAL QUALITY. DO YOU CLAIM THIS PREFERENCE? YES _____ NO _____ SPECIFY THE LINE NUMBER (S) _____ SPECIFY LOCATION WITHIN LOUISIANA WHERE THIS PRODUCT IS MANUFACTURED, PRODUCED, GROWN OR ASSEMBLED _____ (NOTE: IF MORE SPACE IS REQUIRED, INCLUDE ON SEPARATE SHEET.) DO YOU HAVE A LOUISIANA BUSINESS WORK FORCE? YES _____ NO _____ IF SO, DO YOU CERTIFY THAT AT LEAST FIFTY PERCENT (50%) OF YOUR LOUISIANA WORKFORCE IS COMPRISED OF LOUISIANA RESIDENTS? YES _____ NO _____ FAILURE TO SPECIFY ABOVE INFORMATION MAY CAUSE ELIMINATION FROM PREFERENCES. PREFERENCES SHALL NOT APPLY TO SERVICE CONTRACTS.</p> <p>31. SIGNATURE AUTHORITY. IN ACCORDANCE WITH L.R.S. 39:1594 (ACT 121), THE PERSON SIGNING THE BID MUST BE:</p> <p>31.1. A CURRENT CORPORATE OFFICER, PARTNERSHIP MEMBER OR OTHER INDIVIDUAL SPECIFICALLY AUTHORIZED TO SUBMIT A BID AS REFLECTED IN THE APPROPRIATE RECORDS ON FILE WITH THE SECRETARY OF STATE; OR</p> <p>31.2. AN INDIVIDUAL AUTHORIZED TO BIND THE VENDOR AS REFLECTED BY AN ACCOMPANYING CORPORATE RESOLUTION, CERTIFICATE OR AFFIDAVIT; OR</p> <p>31.3. AN INDIVIDUAL LISTED ON THE STATE OF LOUISIANA BIDDER'S APPLICATION AS AUTHORIZED TO EXECUTE BIDS. BY SIGNING THE BID, THE BIDDER CERTIFIES COMPLIANCE WITH THE ABOVE.</p>	

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<p>Kaye Moore, 675-5584, Anesthesiology</p> <p>32. This bid is to be effective for twelve (12) months from date of award. At the option of the Health Sciences Center and acceptance by the vendor, this bid can be renewed for four (4) additional twelve (12) month periods at the same prices and terms.</p> <p>All prices are to be firm for the contractual period, but wherever there is a general reduction in price which is lower than the contract price, said reduction must be presented directly to the Health Sciences Center.</p> <p>Approximate quantities as set forth are estimated usages only and the successful bidder must supply at bid prices actual requirements as ordered whether the total of such requirements is more or less than the quantities shown. No specific quantities are guaranteed. Only those quantities required will be ordered.</p>	

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PRICE SHEET	BIDDER:
NUMBER : 005384	
OPEN DATE : 01/29/2010 TIME: 02:00 PM	
UNLESS SPECIFIED ELSEWHERE SHIP TO: 1541 Kings Highway Shreveport LA 71130	

Line No.	Description			Unit Price	Extended Amount
1	"Physicians Billing Services" per the attached specifications Specify brand, model bid(if applicable) <hr style="width: 30%; margin-left: 0;"/> NOTE: PLEASE SUBMIT (2) COPIES OF BID PROPOSAL.	1.00	EA		

**PHYSICIAN BILLING SERVICES
DEPARTMENT OF ANESTHESIOLOGY
LSU HEALTH SCIENCES CENTER
SHREVEPORT, LOUISIANA
Solicitation #005384
GENERAL CONDITIONS**

1. PURPOSE

This bid is for the purpose of obtaining physician billing services for the School of Medicine, Department of Anesthesiology, LSU Health Sciences Center-Shreveport, Louisiana. The Department of Anesthesiology has 17 FTE Anesthesiologists, 16 Full-time CRNA's, 9 Part-time CRNA's, and 22 Residents. The Department of Anesthesiology is responsible for fourteen (14) Operating Rooms, five (5) Delivery Rooms, 24-Flour Epidural Service, and Acute and Chronic Pain Service. The Department currently generates approximately \$10 to \$12 million in professional charges with \$2.3 to \$2.5 million in net collections per year. All of the billing and collections are done from a central location which utilizes the IDX Corporation Software operating on a VAX mainframe. The LSU Hospital is a State hospital and a teaching institution. The Hospital has approximately 430 staffed beds.

Hospital's approximate Charge Mix and Payment Mix are:

Financial Class	Without Free Care	With Free Care	Payment Mix
Free Care		43%	
Medicaid	42%	24%	53%
Medicare	24%	14%	17%
Commercial	15%	9%	21%
Self Pay	14%	8%	3%
Others	5%	2%	6%

The successful bidder will work with the Department of Anesthesiology Staff and other departments and contacts at LSU Health Sciences Center-Shreveport, Louisiana as necessary for the purpose of providing Physician, and CRNA professional billing and collection services. The School of Medicine desires to engage a professional firm with extensive experience in physician billing and collection activities for the purpose of providing described billing and collection services for this department.

2. CONTRACTOR AND OWNER

For the purposes of this bid, the term "Contractor" shall be understood as referring to the bidder, physician billing service or agency, vendor or firm performing the described services. The term "Medical Center" shall be understood to refer to the LSU Health Sciences Center-Shreveport, Louisiana and the organizations identified above that are-the part of Medical Center in Shreveport.

3. INTERPRETATION OF DOCUMENTS

If any person contemplating a bid is in doubt of the meaning of any part of the specifications, he may submit to the Director of Purchasing, LSU Health Sciences Center-Shreveport, 1501 Kings Highway, Shreveport Louisiana 71130, and a written request for an interpretation. Such written request must be received no later than seven (7) calendar days prior to the date scheduled for receipt of the bids. Any interpretations of documents will be made **only** by addendum duly issued and mailed or delivered to each prospective bidder receiving a set of specifications. The Medical Center will not be responsible for any other explanations or interpretations of the specifications or proposal documents.

4. PUBLIC RECORD

All bids become a matter of public record when publicly opened. Bids with information marked "confidential" will be rejected and returned to the bidder immediately upon discovery of such statement. By submitting a bid, bidder specifically assumes any and all risks and liability associated with information marked confidential in the bid and the release of that information.

5. TERMINATION

LSU Health Sciences Center-Shreveport, Louisiana reserves the right to cancel the contract at any time without penalty, if it provides the Contractor with written notice of such intent to cancel at least sixty (60) calendar days prior to the cancellation.

6. CONFLICT OF INTEREST

By submitting a response to this Invitation to Bid, the Contractor hereby certifies that no person employed by the Medical Center has been employed, retained, induced, or directed to solicit or secure the contract for the Contractor upon agreement, offer, understanding, or implication involving any form of remuneration whatsoever. In the event of any allegation of substance (the determination of which will be made solely by the Medical Center) that this provision has been violated; the Contractor shall cooperate fully with the Medical Center in establishing whether or not the allegation is true. If a violation is found by the Medical Center to have occurred the Medical Center may terminate this agreement immediately without further obligation to the contractor here under.

7. CONFIDENTIALITY

The Contractor hereby warrants that it shall comply with all applicable Federal and State Laws, rules, and regulations concerning confidentiality which safeguards information.

8. RIGHT TO AUDIT

The State Legislative Auditor, Federal Auditors, Medical Auditors, or those designated by the Medical Center shall have the option of auditing all accounts pertaining to this contract. Records shall be made available during normal working hours for this purpose.

The successful bidder shall have conducted a SAS 70 type audit within the past 12 months or the successful bidder shall conduct a SAS 70 type audit during the initial contract period. The audit shall start within 30 days of contract award.

Evidence of this audit or an agreement to conduct an audit shall be furnished to the University upon request. In addition, a SAS 70 type audit shall be conducted on an annual basis during the contract period. Copies of this audit shall be made available to the University upon request.

LSUHSC also requires that the bidder's use coders/billers with specialized training and expertise in the specialty area they are providing services in.

9. FUND USE

The Contractor agrees not to use funds paid for services rendered under the terms of this contract to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the legislature or any local government authority.

10. BID BOND

Each Bidder shall furnish a Bid Bond, Cashier's Check or Certified Check made payable to the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, in the amount of 5 percent of the total amount of the bid for one year. All bonds must be issued from a surety licensed to conduct business in the State of Louisiana and with a rating of "A: VII" or better in the most current published edition of the AM BEST Insurance Guide.

This Bid Bond, Cashier's Check or Certified Check shall be subject to forfeiture for failure on the part of The successful Contractor to enter in to a contract and/or to furnish the required Performance Bond with

THIRTY-(30) Calendar days after written notice that the instrument is ready for signature, or to commence operation under the contract. The University shall have the right to retain the bond or check of all bidders until either: a). the requirements have been met, performance bond has been furnished, and contract has been executed, or b) the specified time has elapsed so that bids may be withdrawn or c) all bids have been rejected. Only checks will be returned. Should the bidder refuse to enter into such contract or fail to furnish such bonds, the amount of the bid security shall be forfeited to the University as liquidated damages, not as a penalty.

11. PERFORMANCE BOND

The University will require the successful Contractor to furnish a Performance Bond, within THIRTY (30) Calendar days of official written notice (letter of award) in the sum of 100% of the total amount of the bid for one year for the full term of the contract. Bonds shall be made payable to the Board of Supervisors, Louisiana State University and Agricultural and Mechanical College. These bonds must be issued from a surety

licensed to conduct business in the State of Louisiana and with a rating of "A: VII" or better in the most current published edition of the AM BEST Insurance Guide.

Note: No other form of Performance Bond will be accepted.

The bond shall secure for the University the prompt and faithful performance of the contract in strict accordance with the Invitation to Bid. The bond shall protect the University and the State of Louisiana against all liens or claims which may be filed against the contract work for any reason and shall provide for the payment of reasonable attorney's fees for the enforcement of the contract and for the institution of any legal proceedings which may become necessary in connection with the contract.

12. RECORD RETENTION

Upon completion of this contract, or if terminated earlier, all records, work sheets, or other materials related to the contract shall become the property of the Medical Center.

13. DISCRIMINATORY PRACTICES

The Contractor agrees to abide by all Federal and State laws banning discriminatory practices based on the Equal Employment Opportunity Compliance Agreement which is hereby made a part of this contract.

Both parties shall abide by the requirements of Title VIII of the Civil Rights Act of 1964, and shall not discriminate against employees or applicants due to color, race, religion, sex handicap, or natural origin. Furthermore, both parties shall take affirmative action pursuant to Executive Order 11246 and The National Vocational Rehabilitation Act of 1974 to provide for positive posture in employing and upgrading persons without regard to race, color, religion, sex, handicap, or national origin, and shall take affirmative action as provided in the Vietnam Era Veteran's Readjustment Act of 1974. Both parties shall abide by the requirements of Title VI of the Civil Rights Act of 1964 and the Vocational Rehabilitation Act of 1974 to insure that all services are delivered without discrimination due to race, color, race, religion, sex handicap, or natural origin. Both parties abide by the requirements of the American Disabilities Act of 1990 and Executive Order 92-7 regarding discrimination based on Sexual preference.

14. ASSIGNMENT

The Contractor shall not assign any interest in this contract and shall not transfer any interest in the same (Whether by assignment or notation), without prior written consent of the Medical Center provided, however, that claims for money due or to become due to the Contractor from the Medical Center under the contract may be assigned to a bank, trust company or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Medical Center.

15. PAYMENT OF TAXES

The Contractor hereby agrees that the responsibility for payment of taxes from the funds thus received under this agreement and/or legislative appropriation shall be the obligation of the Contractor and identified under tax identification number:

GENERAL SPECIFICATIONS

DESCRIPTION OF SERVICES

The Contractor shall provide the following services: Registration of all patients (from hospital and/or physician records provided to the Contractor) at the various facilities where Anesthesiology Physicians and CRNA's provide services. Facilities where these physicians and CRNA's practicing include LSU Health Sciences Center-Shreveport The Medical Center reserves the right to add or eliminate facilities within the Caddo and Bossier Parish area to this contract as needed throughout the contract period without modifying the contract, its prices, terms, and/or conditions.

Obtain all demographic and clinical information required for appropriate billing from hospital and physicians records provided to the Contractor. Contractor shall be responsible for providing an electronic interface to the existing SMS or IDX Financial Systems, to obtain the demographic information needed for patient registration. In the event that electronic interface is not possible or feasible, Contractor shall be responsible for all cost associated with manual transfer of the information.

Obtain, maintain, and update the entire faculty and CRNA's Locum CRNA's profile as needed for billing. This includes getting provider numbers from payers, linking provider numbers, etc., in order to generate claims for services (e.g. Medicare, Medicaid, BC/BS, etc.).

Code all services into the appropriate CPT-4 codes and all diagnosis which justify the services into ICD-9 codes. Enter all charges and demographic information from all sites of service into the Contractor's billing and collection system.

Contractor must provide a monthly report of service(s) rendered to indigent patients at University Hospital. Maintain accounting of all charges entered into the Contractor's billing and collection system.

- A. Review all collection letters after printing and insure that the Dunning level is appropriate for the patient.
- B. Review and appeal by physician medical director all denials and unexpectedly low allowances from all insurance carriers, especially Medicare, maintaining records of the status of these invoices in follow up, and explanations of those not appealed
- C. Provide reports of activities on a monthly basis to the Head of the Department of Anesthesiology, detailing monthly activities in charges, receipts, contract adjustments, bad debt reports, aged account receivable and pending accounts on appeal.
- D. Provide productivity reports which detail the number of services delivered by CPT code, by providing physician, by providing CRNA, by billing area of specialty.

Generate insurance claim forms at least three times weekly for billings to responsible parties and review claims for correctness of data prior to billing.

Maintain a separate telephone line for patient inquiries and insurance company inquiries which is used with the Anesthesiology Group's name when answering.

Handle all telephone inquiries from patients and insurance companies and take all necessary actions to

follow up on items questioned in a timely fashion.

Provide electronic transmission of claims where payers have allowed such.

Respond to all written correspondence from patients and insurance companies taking all appropriate action to follow up on items in a timely fashion.

Mail all insurance claim forms after printing.

Follow up on all mail returns due to bad address or for any other reason so as to provide a secondary billing.

Open all mail daily and post payments to appropriate charges on an open item basis, maintaining adequate cash and payment posting controls.

Match all payment and explanation of benefits (EOB) or remittance advisals to invoice items, and review all claims, including direct patient billing.

File all secondary and subsequent claims, including direct patient billing.

Handle all payments directly from patients, including control of invoice posting and control of cash, making returns of checks or refunds for overpayments where appropriate.

Posting all denials or non-payments for any reason with appropriate documentation and follow up for consideration of re-submittal or billing of a secondary responsible party.

Post, issue and mail all refunds due patients and insurance companies, maintaining adequate cash and account controls.

Review all Dunning messages on patient letters and allow approval by the Medical Center prior to the use of the Dunning messages.

On annual basis, review fee schedules and make recommendations of charges thereto, while maintaining current CPT-4 and ICD-9 Codes,

Attend Blue Cross/Blue Shield, Medicare and Medicaid educational programs and provide education to the Physicians, CRNA's and Residents of Anesthesiology of regulatory and billing requirement changes.

Review and update all PPO and HMO contractual amounts and provide evaluation of any contract under consideration.

Establish a collection policy which includes a minimum of an initial bill to a responsible party or insurance company and three (3) follow up statements prior to referral to collection.

Ability to provide the following reports as necessary:

A monthly report detailing procedures by CPT code;

An aged trial balance report of all billing areas, all physicians, all CRNA's and all insurance companies in 30 day intervals up to 120 days;

An accounts receivable report for each billing area or site of service;

A report by site of service listing charges, payments, and adjustments;

- A separate report of payments by types of service by billing area or by site;
- A report of charges by financial class;
- A report of payments by financial class;
- A report of grand totals by all CPT codes;
- An analysis of the types of service at each billing area and/or sit; an analysis of the total of all types of service; A type of service analysis.
- An analysis of types of service by each physician, CRNA in the practice;
- A report analyzing all services rendered to indigent patients at University Hospital; and
- Any other special report that may be necessary as requested.

Provide lists of patients deemed appropriate for referral to collection agency to the physician providing the services prior to referral for the collection activity.

The Contractor shall have the right to endorse for deposit and collection, in the name of and on behalf of the Medical Center, all remittances received.

AMOUNT AND TERMS OF PAYMENT

The Medical Center shall pay the Contractor on a monthly basis. Payments will be the agreed upon percentage of total collections computed upon presentation of an itemized and reconciled monthly statement of those collections remitted to the Medical Center. The Contractor shall first provide all monies collected to the Medical Center and then provide detailed invoices by patient accounts to claim their fees. The Contractor shall not deduct their fees from monies collected.

COLLECTIONS

The Contractor shall promptly remit the Medical Center daily all monies collected to a designated account. The Contractor shall not settle in any way an account for less than payment in full without prior written approval of the Medical Center. All responses to this Invitation to Bid must contain the following information, failure to do so is cause and may cause rejection of bid:

1. Sufficient evidence that contractor has a minimum of ten (10) years of continuous experience in physician billing and collections.
2. Sufficient evidence that the Contractor has engaged in at least one (1) business involving Billing and Collections Services for the State of Louisiana in a charity hospital care setting, and five (5) private health care setting.
3. The organization of the contractor, including the size and location of the offices.
4. A thorough description of the registration process, demographic and clinical data collection methods, billing and accounting system, etc. to be used in providing the described services to the Medical Center.
5. Satisfactory letters of reference from at least five (5) Anesthesiology groups, two (2) of which must each have a combined total of ten (10) Anesthesiologists or CRNAs, and that have been served for the past twelve (12) months by the contractor.
6. The names and professional qualifications of the principals in the firm and of key personnel.
7. A Statement of Solvency for the past two (2) years certified by a CPA or financial statements endorsed by an IRS licensed accountant.
8. Band reference.
9. Records indicating Contractor has annual gross billings of at least five (5) million dollars.
10. A list of contracts or clients that the Contractor has LOST during the past two years.

Award Process and Criteria for Selection

CRITERIA FOR SELECTING OF PHYSICIAN BILLING AGENCY

The following will be considered by the Medical Center in awarding the contract for physician billing services

Commission Rate

Meeting minimum qualifications and requirements of this Invitation to Bid.

The Medical Center desires to make an award based on the written bids submitted in response to this Invitation. However, responsive bidders (as selected by the evaluators) may be required to meet with the Chairman of the Department of Anesthesiology at the School of Medicine in Shreveport and make a presentation on their respective proposals. Any expenses incurred in preparing for, traveling to or giving these presentations will be the sole responsibility of the bidder.

EXHIBIT A

INSURANCE REQUIREMENTS FOR LESSEES (NO AUTO RISKS)

Vendor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the vendor's performance under the contract. The cost of such insurance shall be borne by the vendor.

A. MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage "Occurrence" Form CG 00 01 (current form approved for use in Louisiana), or alternatively, on a claims made basis with the commitment to purchase a liability tail should they cease to maintain continuous coverage under that liability policy.
2. Workers Compensation insurance as required by the Labor Code of the State of Louisiana and Employers Liability insurance.

B. MINIMUM LIMITS OF INSURANCE

Vendor shall maintain limits no less than:

1. Commercial General Liability: \$1,000,000.00 combined single limit per occurrence for bodily injury, personal injury and property damage.
2. Worker's Compensation and Employers Liability: Worker's Compensation Limits as required by the Labor Code of the State of Louisiana and Employers Liability coverage. Exception: Employers Liability to be \$1,000,000.00 when work is to be over water.
3. Professional Liability. Vendor shall provide proof of such insurance. (Minimum limits of \$1,000,000.00).

C. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to the University.

D. OTHER INSURANCE PROVISIONS

The policies are to contain the following provisions:

1. General Liability
 - a. The University, its officers, officials, employees and volunteers are to be covered as "additional insured's as respects: liability arising out of premises owned, occupied or used by the vendor. The coverage shall contain no special limitations on the scope of protection afforded to the University, its officers, officials, employees and volunteers.
 - b. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the University, its officers, officials, employees or volunteers.
 - c. Coverage shall state that the vendor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. Worker's Compensation and Employer's Liability Coverage

The insurer shall agree to waive all rights of subrogation against the University, its officers, officials, employees and volunteers for losses arising from performance under the contract.

3. All Coverage's

Vendor will provide University with thirty (30) days' prior written notice of any coverage that is suspended, voided, canceled, reduced in coverage or in limits.

E. ACCEPTABILITY OF INSURERS

Insurance is to be placed with insurers with a Best's rating of **A-: VI or higher**. This rating requirement is waived for vendor's Commercial general Liability coverage which is self-insured only.

F. VERIFICATION OF COVERAGE

Vendor shall furnish the University with certificates of insurance affecting coverage required by this clause. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be received by the University before work commences.

INDEMNIFICATION AGREEMENT

_____, hereby agrees and contracts to protect, defend, indemnify, indemnify and hold harmless Louisiana State University Health Sciences Center, State of Louisiana, all state departments, boards and commissions, its officers, employees, agents and servants, including students and volunteers, from and against any and all claims, demands, expenses, and liability, including but not limited to overpayments, fines, penalties and attorney fees arising from the errors, omissions, or negligence of _____, its agents, servants and employees in performance of its duties under the bid/contract to perform comprehensive billing services on behalf of LSUHSC.

Business Associate Contract Addendum

On this ____ day of _____, 200__, the undersigned, **LSUHSC-Shreveport/EA Conway/Huey P. Long** ("Covered Entity") and _____ ("Business Associate") have entered into this "Business Associate Contract Addendum" ("Addendum") for the purposes herein set forth.

1. Business Associate Relationship

(a) Covered Entity and Business Associate are parties to that certain contract, denominated "[Name of underlying contract], dated _____ ("the Agreement"), and pursuant to which Business Associate is performing functions or tasks on behalf of Covered Entity.

(b) Covered Entity is bound by the regulations implementing the Health Insurance Portability and Accountability Act of 1996, P. L. 104-191 ("HIPAA"), 45 C.F.R. Parts 160 and 164 ("the Privacy Rule"). The intent and purpose of this Addendum is to comply with the requirements of the Privacy Rule, including, but not limited to, the Business Associate contract requirements at 45 C.F.R. §§ 164.502(e) and 164.504(e).

(c) In the performance of this Agreement, Business Associate is performing functions on behalf of Covered Entity which meet the definition of "Business Associate Activities" in 45 C.F.R. § 160.103, and therefore Business Associate is a "Business Associate" of Covered Entity.

(d) In order for Business Associate to perform its obligations under the Agreement, Covered Entity must disclose to Business Associate certain Protected Health Information (as defined in 45 C.F.R. §160.103) that is subject to protection under HIPAA and the Privacy Rule.

NOW, THEREFORE in consideration of the mutual promises and covenants contained herein, and in furtherance of the mutual intent of the parties to comply with the requirements of the Privacy Rule, the parties agree as follows:

2. Definitions

(a) Protected Health Information. "Protected Health Information" shall have the meaning found in 45 C.F.R. '160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. "Protected Health Information" may also be referred to as "PHI".

(b) Secretary. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.

Terms used in this Addendum, but not otherwise defined herein, shall have the same meaning as in the Privacy Rule.

3. Obligations and Activities of Business Associate

- (a) Business Associate agrees not to use or disclose PHI other than as stated in this Agreement this Addendum or as Required By Law.
- (b) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the PHI other than as provided for in this Addendum. Business Associate acknowledges receipt of a copy of Covered Entity's policies and procedures for safeguarding PHI, and agrees to implement substantially identical safeguards for PHI in its possession.
- (c) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Addendum.
- (d) Business Associate agrees to report promptly to Covered Entity any use or disclosure of the PHI not provided for by this Addendum of which it becomes aware.
- (e) Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Addendum to Business Associate with respect to such information.
- (f) Business Associate agrees to provide access, at the request of Covered Entity, and in a prompt and timely manner, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements of 45 C.F.R. § 164.524.
- (g) Business Associate agrees to make any amendment(s) to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual.
- (h) Business Associate agrees to make its internal practices, books, and records, including policies and procedures relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or to the Secretary, in a prompt and timely manner or as designated by the Secretary, for purposes of determining Covered Entity's compliance with the Privacy Rule.
- (i) Business Associate agrees to document such disclosures of PHI as would be required for Covered Entity to respond timely to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
- (j) Business Associate agrees that, in requesting PHI from Covered Entity, and in using or disclosing PHI to others, only the Minimum Necessary information shall be requested, used or disclosed.

4. HIPAA Security Requirements Effective April 20, 2005

Business Associate agrees to:

(1) implement and document, as set forth in 45 C.F.R. § 164.316, Administrative Safeguards, Physical Safeguards and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information that it creates, receives, maintains, or transmits on behalf of the covered entity, as required by 45 C.F.R. Part 164, Subpart C, and specifically, but not exclusively, including the following:

(a) Ensure the confidentiality, integrity, and availability of all electronic protected health information the Business Associate creates, receives, maintains, or transmits on behalf of LSU;

(b) Protect against any reasonably anticipated threats or hazards to the security or integrity of such information;

(c) Protect against any reasonably anticipated uses or disclosures of such information that are not permitted or required under the HIPAA Privacy Regulations;

(d) Ensure compliance with this Section by its workforce;

(2) ensure that any agent, including a subcontractor, to whom it provides this information agrees to implement and document reasonable and appropriate Administrative Safeguards, Physical Safeguards and Technical Safeguards, including at least the requirements set forth in this Section for Business Associate;

(3) report to LSU any Security Incident of which it becomes aware;

(4) make its policies and procedures, and documentation required by this Section relating to such safeguards, available to the Secretary and to LSU for purposes of determining the Business Associate's compliance with this Section; and

(5) authorize termination of the contract or other relationship by LSU if LSU determines that the Business Associate has violated a material term of the contract or this Business Associate Addendum.

For the purposes of this Section, the following terms have the meaning assigned to them below:

Administrative Safeguards means administrative actions, and policies and procedures, to manage the selection, development, implementation, and maintenance of security measures to protect electronic protected health information and to manage the conduct of the Business Associate's workforce in relation to the protection of that information, as more particularly set forth in 45 C.F.R. § 164.308.

Physical Safeguards means physical measures, policies, and procedures to protect Business Associate's electronic information systems and related buildings and equipment, from natural and environmental hazards, and unauthorized intrusion, as more particularly set forth in 45 C.F.R. § 164.310.

Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

Technical Safeguards means the technology and the policy and procedures for its use that protect electronic protected health information and control access to it, as more particularly set forth in 45 C.F.R. § 164.312.

Terms used in this Section but not defined herein shall have the meaning assigned to such terms by 45 C.F.R. Part 164, Subpart C, specifically including, but without limitation, 45 C.F.R. § 164.304.

5. Permitted Uses and Disclosures by Business Associate

(a) Except as otherwise prohibited by law or limited in this Addendum, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Agreement, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity or the Privacy Rule, including, but not limited to the following:

(1) Use or disclose PHI for proper management and administration or to carry out the legal responsibilities of the Business Associate, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed

only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached. Entities to which Business Associate discloses PHI for the purpose of management and administration of the Business Associate shall be deemed "agents" or "subcontractors" of Business Associate, within the meaning of Section 3(e) of this Addendum.

(2) Use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e) (2) (i) (B).

6. Obligations of Covered Entity

(a) Covered Entity shall notify Business Associate of any limitation(s) in its Notice of Privacy Practices in accordance with 45 C.F.R. § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI. Business Associate acknowledges that it has received a copy of Covered Entity's Notice of Privacy Practices, and agrees to comply with all limitations on use and disclosure of PHI contained therein.

(b) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.

(c) Covered Entity shall notify Business Associate of any changes in Covered Entity's Notice of Privacy Practices.

7. Term and Termination of Agreement

(a) Term. The Term of this Addendum shall be effective as of the date of execution by the last party executing same, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this Section.

(b) Termination for Cause. Notwithstanding any other provisions of this Agreement, upon Covered Entity's knowledge of a material breach by Business Associate of the terms of this Addendum, Covered Entity shall either:

(1) Provide an opportunity for Business Associate to cure the breach. Covered Entity may terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;

(2) Immediately terminate this Agreement if Business Associate has breached a material term of this Addendum and cure is not possible; or

(3) If neither termination nor cure is feasible in the sole discretion of Covered Entity, Covered Entity shall report the violation to the Secretary.

(c) Effect of Termination.

(1) Except as provided in paragraph (2) of this section, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. Business Associate shall not retain copies of any PHI. This provision shall also apply to PHI that is in the possession of subcontractors or agents of Business Associate.

(2) In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall notify Covered Entity of this determination and its reasons. If Covered Entity agrees that return or destruction of PHI is not feasible, Business Associate shall extend the protections of this Addendum to such PHI and limit further uses and disclosures, for so long as Business Associate maintains such PHI. This provision shall also apply to PHI that is in the possession of subcontractors or agents of Business Associate.

8. Miscellaneous

(a) Regulatory References. Any reference in this Addendum to a section in the Privacy Rule means the section as in effect or as amended.

(b) Formal Amendment and Deemed Amendment. The Parties agree to take such action as is necessary to formally amend this Addendum from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. 104-191. Regardless of the execution of a formal amendment of this Addendum, the Addendum shall be deemed amended to permit the Covered Entity to comply with HIPAA and the Privacy Rule, as the same may be hereafter amended or interpreted.

(c) Survival. The respective rights and obligations of Business Associate under Section 6 (c) of this Addendum entitled "Effect of Termination" shall survive the termination of this Addendum and/or the Agreement.

(d) Interpretation. Any ambiguity in this Addendum shall be resolved to permit Covered Entity to comply with the Privacy Rule.

(e) Material Breach of Addendum as Breach of Agreement. Any material breach of this Addendum by Business Associate shall constitute a material breach of the Agreement, and shall entitle Covered Entity to any of the remedies provided in the Agreement, in addition to the remedies provided herein.

(f) Provisions of Addendum to Control. In the event of any conflict between the provisions of this Addendum and any of the other provisions of the Agreement, including any renewal, extension or modification thereof, the provisions of this Addendum shall control.

(g) Ownership of PHI. The PHI to which Business Associate, or any agent or subcontractor of Business Associate has access under the Agreement shall be and remain the property of Covered Entity.

(h) Indemnification and Contribution. Each party to this Addendum shall indemnify and hold the other harmless from any and all claims, liability, damages, costs and expenses, including attorney's fees and costs of defense and attorney's fees, resulting from the action or omission of the other party. In the event that any liability, damages, costs and expenses arise as a result of the actions or omissions of both parties, each party shall bear such proportion of such liability, damages, costs and expenses as are attributable to the acts or omissions of such party.

(i) Injunctive Relief. Notwithstanding any rights or remedies provided for in this Agreement, Covered Entity retains all rights to seek injunctive relief to prevent or stop the inappropriate use or disclosure of PHI directly or indirectly by Business Associate, or any agent or subcontractor of Business Associate.

(j) Attorney's Fees. If any legal action or other proceeding is brought for the enforcement of this Addendum or in connection with any of its provisions, the prevailing party shall be entitled to an award for the attorney's fees and costs incurred therein in addition to any other right of recovery.

(k) Severability. If any clause or provision of this Addendum is held to be illegal, invalid or unenforceable under any present or future law, the remainder of this Addendum will not be affected thereby. It is the intention of the parties that, if any such provision is held to be illegal, invalid or unenforceable, there will be substituted in lieu thereof a provision as similar in terms to such provision as is possible which is legal, valid and enforceable.

(l) Waiver of Provisions. Failure by either party at any time to enforce or require the strict performance of any of the terms and conditions of this Agreement shall not constitute a waiver of such terms or conditions or modify such provision or in any manner render it unenforceable as to any other time or as to any other occurrence. Any specific waiver by either party of any of the terms and conditions of this Agreement shall be considered a one-time event and shall not constitute a continuing waiver. Neither a waiver nor any failure to enforce shall in any way affect or impair the terms or conditions of this Agreement or the right of either party to avail itself of its remedies.

(m) Choice of Law. To the extent not preempted by HIPAA or the Privacy Rule, the Laws of the State of Louisiana shall govern this Addendum.

(n) Notices. Any notice, demand or communication required or permitted to be given by any provision of this Addendum shall be in writing and will be deemed to have been given when actually delivered (by whatever means) to the party designated to receive such notice, or on the next business day following the day sent by overnight courier, or on the third (3rd) business day

after the same is sent by certified United States mail, postage and charges prepaid, directed to the addresses noted below, or to such other or additional address as any party might designate by written notice to the other party, whichever is earlier.

Notices required by this Addendum shall be sent as follows:

Covered Entity:

**LSU Health Sciences Center
Attn: Compliance Department
1501 Kings Highway
Shreveport, La 71103**

Business Associate:

**[Name]
[Institution]
[Address]
[City, State Zip Code]**

THUS DONE AND SIGNED on the date first written above:

LSU Health Sciences Center:

By: Jeffrey L. Hartgrove
Title: Director of Purchasing
and Materials Management

[Name of Business Associate]:

By:

Title: